

1 The United States of America (the “United States”) alleges as follows:

2 1. The United States brings this action to enforce the provisions of Title VIII of the
3 Civil Rights Act of 1968, as amended, 42 U.S.C. §§ 3601–3631 (the “Fair Housing Act”).

4 **JURISDICTION AND VENUE**

5 2. This Court has jurisdiction over this action under 28 U.S.C. §§ 1331 and 1345 and
6 42 U.S.C. § 3614(a).

7 3. Venue is proper in this district under 28 U.S.C. § 1391(b) because the actions and
8 omissions giving rise to the United States’ claims occurred in the Eastern District of California,
9 and the Defendants reside and do business in the Eastern District of California.

10 **DEFENDANTS AND SUBJECT PROPERTIES**

11 4. Defendant Joel Lynn Nolen (“Defendant Joel Nolen”) and Defendant Shirlee
12 Nolen, husband and wife, are residents of Tracy, California. They also maintain a residence near
13 Eagle Lake in Susanville, California.

14 5. During part or all of the period of time relevant to this action, Defendant Nolen
15 Properties, LLC, was a limited liability company with a principal place of business at 510-425
16 Stones Road, Susanville, California 96130. The company dissolved on December 23, 2015.

17 6. Defendant Nancy Canale is a trustee of the Bernard Canale and Nancy Canale
18 1998 Revocable Trust (“Canale Trust”). She is a resident of San Joaquin County, California.

19 7. Defendant Bernard Canale was a resident of San Joaquin County, California, who
20 died on or around May 20, 2022. No proceeding has been opened in San Joaquin County,
21 California for administration of Mr. Canale’s estate. Nancy Canale is Mr. Canale’s surviving
22 spouse and his successor in interest.

23 8. During part or all of the period of time relevant to this action, Defendant Joel
24 Nolen owned and managed at least sixty residential rental properties in Lassen County,
25 California (the “subject properties”), as well as rental properties in San Joaquin County,
26 California. The subject properties include single-family homes, apartments, duplexes, a mobile
27 home park, mobile home lot spaces, and mobile homes.
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1 9. The subject properties include, but are not limited to, the following locations in
2 California: the real estate and mobile homes located within the Sleepy Hollow Mobile Home
3 Park located at 2000 Ash Street in Susanville, 525 Wildwood Way in Susanville, 463-970 Main
4 Street in Janesville, 464-390 South Church Street in Janesville, and 609 Juniper Street in
5 Susanville.

6 10. The subject properties are “[d]welling[s]” within the meaning of the Fair Housing
7 Act, 42 U.S.C. § 3602(b).

8 11. During part or all of the period of time relevant to this action, Defendant Shirlee
9 Nolen co-owned most or all of the subject properties, including but not limited to, the real estate
10 located at 2000 Ash Street in Susanville, 463-970 Main Street in Janesville, 609 Juniper Street in
11 Susanville, 464-390 South Church Street in Janesville, and 525 Wildwood Way in Susanville.

12 12. During part or all of the period of time relevant to this action, Defendant Nolen
13 Properties, LLC owned or co-owned some of the subject properties, including but not limited to
14 525 Wildwood Way in Susanville.

15 13. During part or all of the period of time relevant to this action, the Canale Trust
16 co-owned the real estate located at 2000 Ash Street in Susanville.

17 14. During part or all of the period of time relevant to this action, Defendant Bernard
18 Canale co-owned with Defendant Joel Nolen the mobile homes in the Sleepy Hollow Mobile
19 Home Park at 2000 Ash Street in Susanville.

20 15. During part or all of the period of time relevant to this action, Defendant Joel
21 Nolen has performed a full range of management duties relating to the subject properties,
22 including but not limited to, showing dwellings to prospective tenants; accepting rental
23 applications; establishing the terms of leases, rent rates, and security deposits; collecting rent;
24 receiving maintenance requests; supervising maintenance crews for repairs; communicating with
25 tenants about late payments; and initiating unlawful detainer and other court proceedings.

26 16. Defendant Joel Nolen has authority to act on behalf of Defendant Shirlee Nolen
27 and actively participates in the management of the subject properties that she co-owns.
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- 1 g. Menacing female tenants by entering their homes without their permission and
- 2 with no apparent legitimate reason to do so;
- 3 h. Attempting to kiss female tenants;
- 4 i. Soliciting nude photographs or photographs of intimate body parts of female
- 5 tenants; and
- 6 j. Taking adverse housing actions, such as refusing to rent, delaying or refusing to
- 7 make repairs, serving eviction notices, or initiating eviction proceedings, against
- 8 female tenants who rejected his sexual advances.

9 21. For example, in 2019, Defendant Joel Nolen took a female tenant of 609 Juniper
10 Street in Susanville to an empty rental unit where he engaged in unwelcome sexual contact,
11 including digitally penetrating her vagina with his fingers. Another day, he took her to an empty
12 rental unit where he engaged in unwelcome intercourse and oral sex. Within the next day or two,
13 he initiated an unlawful detainer action against the tenant's household.

14 22. In another example, from 2018 to 2019, Defendant Joel Nolen touched the
15 buttocks and breast of a female tenant of 2000 Ash Street in Susanville. He offered to reduce her
16 rent in exchange for sexual acts. He frequently made lewd, suggestive, and sexual comments to
17 her. He invited her to accompany him to his house near Eagle Lake in Susanville, and to
18 accompany him on an overnight trip, for the purpose of engaging in sexual activity. All of this
19 conduct was unwelcome.

20 23. In another example, in 2012, Defendant Joel Nolen sought sexual acts from a
21 female tenant of 525 Wildwood Way in Susanville in exchange for unpaid rent. She refused. He
22 then showed up unexpectedly when she was cleaning one of his rental properties for money to
23 pay the late rent. He told her that he could forgive the late rent, then pinned her body against the
24 wall with his and attempted to kiss her. She pushed him away and refused him again. After that,
25 he threatened to evict her and then initiated an unlawful detainer action.

26 24. The experiences of the tenants described in paragraphs 21–23 were not the only
27 instances of Defendant Joel Nolen's sexual harassment of female tenants and prospective
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1 tenants. Rather, they were part of his pattern or practice of illegal sexual harassment of multiple
2 tenants and prospective tenants from at least 2011 to the present.

3 25. Defendant Joel Nolen's conduct described in this complaint caused female
4 tenants, prospective tenants, and persons associated with them to suffer fear, anxiety, and
5 emotional distress, and interfered with their ability to secure and maintain rental housing for
6 themselves and their families.

7 26. Defendant Joel Nolen's discriminatory conduct described above that occurred at
8 subject properties co-owned by Defendant Shirlee Nolen occurred while he was exercising his
9 authority as an agent for Defendant Shirlee Nolen. She is therefore vicariously liable for
10 Defendant Joel Nolen's conduct, regardless of whether she knew or should have known of it.
11 Further, Defendant Shirlee Nolen knew or should have known about Defendant Joel Nolen's
12 conduct, based on his pattern or practice of sexual harassment over many years and because
13 tenants informed Defendant Shirlee Nolen of his harassing conduct on multiple occasions. She
14 had the authority to take preventative and corrective action, yet failed to take reasonable
15 preventative or corrective measures to prevent or redress Defendant Joel Nolen's conduct.

16 27. Defendant Joel Nolen's discriminatory conduct described above that occurred at
17 subject properties owned or co-owned by Defendant Nolen Properties, LLC occurred while he
18 was exercising his authority as an agent for Defendant Nolen Properties, LLC. It is therefore
19 vicariously liable for Defendant Joel Nolen's conduct.

20 28. Defendant Joel Nolen's discriminatory conduct described above that occurred at
21 subject properties co-owned by the Canale Trust occurred while Defendant Joel Nolen was
22 exercising his authority as an agent for the Canale Trust. The Canale Trust is therefore
23 vicariously liable for Defendant Joel Nolen's conduct.

24 29. Defendant Joel Nolen's discriminatory conduct occurred at subject properties
25 co-owned by Defendant Bernard Canale prior to his death. Defendant Joel Nolen was exercising
26 his authority as an agent for Defendant Bernard Canale when engaged in this discriminatory
27 conduct. Defendant Bernard Canale is therefore vicariously liable for Defendant Joel Nolen's
28 conduct, regardless of whether he knew or should have known of it.

CAUSE OF ACTION

FAIR HOUSING ACT

30. The allegations above are incorporated herein by reference.

31. By the actions and statements described above, the Defendants have:

- a. Refused to rent or negotiate for the rental of, or otherwise made unavailable or denied, dwellings to persons because of sex, in violation of 42 U.S.C. § 3604(a);
- b. Discriminated in the terms, conditions, or privileges of the rental of dwellings, or in the provision of services or facilities in connection therewith, because of sex, in violation of 42 U.S.C. § 3604(b);
- c. Made statements with respect to the rental of dwellings that indicate a preference, limitation, or discrimination based on sex, in violation of 42 U.S.C. § 3604(c);
and
- d. Coerced, intimidated, threatened, or interfered with persons in the exercise or enjoyment of, or on account of their having exercised or enjoyed, their rights granted or protected by the Fair Housing Act, in violation of 42 U.S.C. § 3617.

32. Under 42 U.S.C. § 3614(a), the Defendants' conduct as described above constitutes:

- a. A pattern or practice of resistance to the full enjoyment of the rights granted by the Fair Housing Act, and
- b. A denial of rights granted by the Fair Housing Act to a group of persons, which denial raises an issue of general public importance.

33. Defendant Joel Nolen's discriminatory conduct has harmed tenants and persons associated with them. These persons are "[aggrieved person[s]]" as defined in 42 U.S.C. § 3602(i), and have suffered damages as a result of the Defendants' conduct.

34. Defendant Joel Nolen's conduct was intentional, willful, or taken in reckless disregard of the rights of others.

PRAYER FOR RELIEF

WHEREFORE, the United States requests that the Court enter an Order that:

- 1 a. Declares that the Defendants' discriminatory practices violate the Fair Housing Act;
- 2 b. Enjoins the Defendants, their agents, employees, successors, and all other persons or
- 3 entities in active concert or participation with them from:
 - 4 i. Discriminating on the basis of sex, including engaging in sexual harassment,
 - 5 in any aspect of the sale or rental of a dwelling;
 - 6 ii. Discriminating on the basis of sex in the terms, conditions, or privileges of the
 - 7 sale or rental of a dwelling, or in the provision of services or facilities in
 - 8 connection therewith;
 - 9 iii. Making statements with respect to the sale or rental of a dwelling that indicate
 - 10 a preference, limitation, or discrimination based on sex;
 - 11 iv. Coercing, intimidating, threatening, interfering with, or threatening to take
 - 12 any action against any person engaged in the exercise or enjoyment of, or on
 - 13 account of their having exercised or enjoyed, rights granted or protected by
 - 14 the Fair Housing Act;
 - 15 v. Failing or refusing to take such affirmative steps as may be necessary to
 - 16 restore, as nearly as practicable, aggrieved persons affected by the
 - 17 Defendants' past unlawful practices to the position they would have been in
 - 18 but for the discriminatory conduct; and
 - 19 vi. Failing or refusing to take such affirmative steps as may be necessary to
 - 20 prevent the recurrence of any discriminatory conduct in the future;
- 21 c. Awards monetary damages to each person aggrieved by the Defendants' conduct,
- 22 under 42 U.S.C. § 3614(d)(1)(B);
- 23 d. Assesses civil penalties against the Defendants in order to vindicate the public
- 24 interest, under 42 U.S.C. § 3614(d)(1)(C); and
- 25 e. Awards such additional relief as the interests of justice may require.

26 **DEMAND FOR JURY TRIAL**

27 Pursuant to Rule 38 of the Federal Rules of Civil Procedure, the United States hereby
28 demands a trial by jury.

1 Dated: April 6, 2023

2 Respectfully submitted,

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